

HOUSE BILL No. 1326

DIGEST OF INTRODUCED BILL

Citations Affected: IC 6-9.

Synopsis: Innkeeper's tax. Requires county council review and approval of the annual budget of the Lake County convention and visitor bureau (bureau). Provides that the bureau may not expend money from a fund established by the bureau unless the expenditure is in accordance with an appropriation made by the county council. Provides that a member or an employee of a local tourism agency may not use certain tickets received by the local tourism agency for any purpose other than the public and corporate purposes of the local tourism agency. Provides that an individual who violates the provision commits a Class C infraction.

Effective: July 1, 2016.

Brown C

January 12, 2016, read first time and referred to Committee on Ways and Means.



Second Regular Session of the 119th General Assembly (2016)

PRINTING CODE. Amendments: Whenever an existing statute (or a section of the Indiana Constitution) is being amended, the text of the existing provision will appear in this style type, additions will appear in **this style type**, and deletions will appear in ~~this style type~~.

Additions: Whenever a new statutory provision is being enacted (or a new constitutional provision adopted), the text of the new provision will appear in **this style type**. Also, the word **NEW** will appear in that style type in the introductory clause of each SECTION that adds a new provision to the Indiana Code or the Indiana Constitution.

Conflict reconciliation: Text in a statute in *this style type* or ~~this style type~~ reconciles conflicts between statutes enacted by the 2015 Regular Session of the General Assembly.

HOUSE BILL No. 1326

A BILL FOR AN ACT to amend the Indiana Code concerning taxation.

Be it enacted by the General Assembly of the State of Indiana:

- 1 SECTION 1. IC 6-9-2-4, AS AMENDED BY P.L.190-2014,
2 SECTION 27, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
3 JULY 1, 2016]: Sec. 4. (a) The bureau may:
4 (1) accept and use gifts, grants, and contributions from any public
5 or private source, under terms and conditions that the bureau
6 considers necessary and desirable;
7 (2) sue and be sued;
8 (3) enter into contracts and agreements;
9 (4) make rules necessary for the conduct of its business and the
10 accomplishment of its purposes;
11 (5) receive and approve, alter, or reject requests and proposals for
12 funding by corporations qualified under subdivision (6);
13 (6) after its approval of a proposal, transfer money from any fund
14 established by the bureau, the promotion fund, or the alternate
15 revenue fund to any Indiana nonprofit corporation to promote and
16 encourage conventions, trade shows, visitors, or special events in
17 the county;



(7) require financial or other reports from any corporation that receives funds under this chapter;

(8) enter into leases under IC 36-1-10 for the construction, acquisition, and equipping of a visitor center; and

(9) exercise the power of eminent domain to acquire property to promote and encourage conventions, trade shows, special events, recreation, and visitors within the county.

(b) All expenses of the bureau shall be paid from funds established by the bureau. Before December 20 of each year, the bureau shall prepare a budget for expenditures during the following year, taking into consideration the recommendations made by a corporation qualified under subsection (a)(6), **and submit the budget to the county council for its review and approval. The bureau may not expend money from a fund established by the bureau unless the expenditure is in accordance with an appropriation made by the county council in the manner provided by law.** A budget prepared by the bureau and **approved by the county council** under this section must be:

(1) submitted to the department of local government finance;

(2) published on the department's interactive and searchable Internet web site containing local government information (the Indiana gateway for governmental units); and

(3) placed on file with the county auditor.

(c) All money in the bureau's funds shall be deposited, held, secured, invested, and paid in accordance with statutes relating to the handling of public funds. The handling and expenditure of money in the bureau's funds are subject to audit and supervision by the state board of accounts.

SECTION 2. IC 6-9-2-4.3, AS AMENDED BY P.L.172-2011, SECTION 94, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2016]: Sec. 4.3. (a) The Lake County convention and visitor bureau shall establish a convention, tourism, and visitor promotion alternate revenue fund (referred to in this chapter as the "alternate revenue fund"). The bureau may deposit in the alternate revenue fund all money received by the bureau after June 30, 2005, that is not required to be deposited in the promotion fund under section 2 of this chapter or a fund established by the bureau, including appropriations, gifts, grants, membership dues, and contributions from any public or private source.

(b) The bureau may ~~without appropriation by the county council,~~ expend money from the alternate revenue fund to promote and encourage conventions, trade shows, visitors, special events, sporting events, and exhibitions in the county. Money may be paid from the



1 alternate revenue fund by claim in the same manner as municipalities
2 may pay claims under IC 5-11-10-1.6.

3 (c) All money in the alternate revenue fund shall be deposited, held,
4 secured, invested, and paid in accordance with statutes relating to the
5 handling of public funds. The handling and expenditure of money in
6 the alternate revenue fund is subject to audit and supervision by the
7 state board of accounts.

8 (d) Money derived from the taxes imposed under IC 4-33-12 and
9 IC 4-33-13 may not be transferred to the alternate revenue fund.

10 SECTION 3. IC 6-9-46 IS ADDED TO THE INDIANA CODE AS
11 A NEW CHAPTER TO READ AS FOLLOWS [EFFECTIVE JULY
12 1, 2016]:

13 **Chapter 46. Miscellaneous Innkeeper's Tax Administration**

14 **Sec. 1. As used in this chapter, "local tourism agency" refers to**
15 **a:**

- 16 (1) board of managers;
- 17 (2) convention and visitor bureau;
- 18 (3) convention and visitor commission;
- 19 (4) visitor and convention commission; or
- 20 (5) similar local entity;

21 **that is funded by a county innkeeper's tax and established under**
22 **this article to promote tourism on behalf of the county imposing**
23 **the innkeeper's tax.**

24 **Sec. 2. As used in this chapter, "member" refers to an individual**
25 **appointed under this article to serve on the governing body of a**
26 **local tourism agency.**

27 **Sec. 3. As used in this chapter, "qualified ticket" refers to an**
28 **admission ticket to any event conducted during a festival that the**
29 **festival organizer provides to a local tourism agency in exchange**
30 **for the local tourism agency's sponsorship of the festival.**

31 **Sec. 4. A member or an employee of a local tourism agency may**
32 **not use a qualified ticket received by the local tourism agency for**
33 **any purpose other than the public and corporate purposes of the**
34 **local tourism agency.**

35 **Sec. 5. An individual who violates section 4 of this chapter**
36 **commits a Class C infraction.**

